UNITED STATES DISTRICT COURT WESTERN DISTRICT OF TEXAS WACO DIVISION

DATANET LLC,		§ 8	
	Plaintiff,	\$ \$ \$	
v.		§ CIVIL NO. 6:22-CV-01142-OLG-DT	ΓG
DROPBOX INC.,		§ JURY TRIAL DEMANDED	
	Defendant.	\$ \$ \$	

ORDER GRANTING IN PART, DENYING IN PART DROPBOX'S MOTION TO STAY [ECF NO. 75]

Before the Court is ECF No. 75, filed on September 28, 2023, the opposed motion by Defendant Dropbox, Inc. ("Dropbox"), to stay the case pending resolution of its motion to transfer. Plaintiff Datanet LLC ("Datanet") filed a response in opposition to the motion to stay on October 5, 2023. ECF No. 76. Dropbox's opposed motion to transfer the case to the San Francisco Division of Northern District of California on the basis of convenience under 28 U.S.C. § 1404 has been pending since May 10, 2023. ECF No. 29. Datanet filed its opposition to the transfer motion on September 5, 2023. ECF No. 65. On the same day that Dropbox filed the instant motion to stay, fact discovery was scheduled to begin on September 28, 2023. ECF No. 27 at 4. Datanet stated in its opposition brief that since September 28, "initial disclosures have already been exchanged" in fact discovery. ECF No. 76 at 2. The Fifth Circuit and the Federal Circuit have held that resolution of a transfer motion should take "top priority" in the handling of a case by the District Court. *In re Horseshoe Entm't*, 337 F.3d 429, 433 (5th Cir. 2003); *In re SK hynix Inc.*, 835 F. App'x 600, 601 (Fed. Cir. 2021).

After consideration of the parties' arguments, the Court **GRANTS-IN-PART** and **DE-NIES-IN-PART** Dropbox's Motion to Stay. The Court **DENIES-IN-PART** Dropbox's request to stay the claim construction hearing and has rescheduled the claim construction hearing for November 2, 2023. ECF No 77. The Court will resolve the transfer motion before that hearing. The Court, however, **GRANTS-IN-PART** Dropbox's Motion and stays fact discovery until the day after the newly scheduled claim construction hearing.

In conclusion, Dropbox's motion to stay the case, ECF No. 75, is **GRANTED IN PART** in that the Court **ORDERS** that fact discovery is **STAYED** as of the date of this order, until the day after the claim construction hearing, which is now set for November 2, 2023, and **DENIED IN PART** in that the claim construction hearing will not be stayed.

SIGNED this 12th day of October, 2023.

Derek T. Gilliand

United States Magistrate Judge